

Abstract

System and method for automated experience rating and/or loss reserving for events, a certain event $P_{i,f}$ of an initial year i including development values P_{ikf} with development year k . For i, k applicable is $i=1, \dots, K$ and $k=1, \dots, K$, K being the last known development year, and the first initial year $i=1$ comprising all development values P_{1kf} in a specified way. To determine the development values $P_{i,K-(i-j)+1,f}$ neural networks $N_{i,j}$ are generated iteratively for each initial year i ($i-1$), whereby $j=1, \dots, (i-1)$ are the number of iterations for a particular initial year i and whereby the neural network $N_{i,j+1}$ depends recursively on the neural network $N_{i,j}$. In particular the system and method is suitable for experience rating for insurance contracts and/or excess of loss reinsurance contracts.

(Figure 5)